

Minutes
Catawba County Board of Commissioners
Special Session, Friday, July 21, 2006, 9:00 a.m.

Incentives

Special session Newton City Council – Project Bullseye

07/21/06

The Catawba County Board of Commissioners met in special session on Friday, July 21, 2006 at 9:00 a.m. in the Newton Train Depot, 1123 N. Main Ave, Newton, North Carolina. The Catawba County Board of Commissioners met jointly with Newton City Council to consider economic development issues.

Catawba County Board of Commissioners:

Present were Chair Katherine W. Barnes, Vice-Chairman Dan A. Hunsucker, Commissioners Glenn E. Barger, Lynn M. Lail and Barbara G. Beatty.

A quorum was present.

Also present were County Manager J. Thomas Lundy, Assistant County Manager Joellen Daley, Attorney Anne Marie Pease and Economic Development Corporation President Scott Millar.

Members of the Newton City Council were also present.

Mayor Bob Mullinax welcomed all present for the meeting and called the Newton City Council meeting to order.

Chair Katherine W. Barnes call the Catawba County Board of Commissioners meeting to order at 9:07 a.m.

Catawba County Economic Development Corporation President Scott Millar presented an overview of Project Bullseye.

Target Corporation is seeking incentives for investment totals of \$87,000,000 during the period of 1/1/2007 and 1/1/2012 at the Newton Corporate Center near the intersection of NC10 and US321 in Catawba County and the creation by Target or its vendors of a minimum of 500 jobs in Catawba County by no later than December 31, 2009 and that such jobs will pay wages that are at or above the median average wage in the County for all insured industries.

Newton, Catawba County and the State are proposing agreements to facilitate the project using several programs, grants and infrastructure improvements. The Governor's Office will award a Job Development Investment Grant (JDIG) to the project – 1 of 15 allowed in the State per year. This is in addition to the award of a CDBG in the amount of \$1,000,000 and an Industrial Development Fund (IDF) grant for an additional \$500,000. NCDOT has agreed to improve and widen NC10 from US321 to the west and provide access road assistance. The City of Newton is providing a grant based on future revenues from the project totaling \$1.9 million and will be providing a backup electrical generator for the project. Catawba County proposed incentives as indicated in the resolution below.

Newton City Council made and acted upon a motion on the Joint Economic Development Agreement with Target Corporation and adopted a resolution authorizing the Mayor of the City of Newton to execute and deliver the approved Performance Agreement.

Commissioner Lynn Lail made a motion to adopt the terms and conditions of the incentive agreement and authorize the Chair to execute the contacts between Target and the County. The motion carried unanimously. The terms and conditions are set forth in the following resolution which was approved by the Catawba County Board of Commissioners by polling which took place on July 27 and July 28, 2006:

Resolution No. 2006-38

RESOLUTION AUTHORIZING ECONOMIC INCENTIVES FOR TARGET CORPORATION

WHEREAS, Target Corporation requested incentives for investment totals of \$87,000,000 during the period of 1/1/2007 and 1/1/2012 at the Newton Corporate Center near the intersection of NC10 and US321 in Catawba County and the creation by Target or its vendors of a minimum of 500 jobs in Catawba County by no later than December 31, 2009 and that such jobs will pay wages that are at or above the median average wage in the County for all insured industries as computed by the Employment Security Commission for the most recent period for which data is available.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Catawba County, North Carolina, as follows:

1. Based on expected ad valorem tax receipts of \$87,000,000 during the improvement period of 1/1/2007 and 1/1/2012, the creation of a minimum of 500 Catawba County jobs that pay at or above the median average wage for all insured industries in Catawba County and the requirement that Target Corporation will keep those improvements in place not less than four (4) years following the expiration of the six (6) year agreement, the Board of Commissioners approves an economic grant of 75% of the net new ad valorem taxes received as a result of the project in the amount of no greater than \$1,492,000 payable in five (5) annual installments beginning in Calendar Year Two (CY2) and continuing through Calendar Year Six (CY6). At no time will the County make a grant payment in advance of actual receipt of the annual ad valorem tax payment made by Target Corporation. This grant will be paid to Target Corporation in installments over five years and used to reimburse Target Corporation expenditures as eligible under North Carolina General Statute 158-7.1(a). The Board also directs the Chair to execute a contract between Target Corporation and the County under these terms and conditions.

This the 21st day of July, 2006.

Newton City Council adjourned their meeting.

Commissioner Barbara Beatty made a motion to adjourn the Catawba County Board of Commissioners meeting at 9:30 a.m. The motion carried unanimously.

Katherine W. Barnes, Chair

J. Thomas Lundy, Deputy Clerk